

## General Assembly

**Amendment** 

February Session, 2008

LCO No. 5249

\*HB0553605249SR0\*

Offered by:

SEN. FASANO, 34th Dist.

To: Subst. House Bill No. 5536

File No. 731

Cal. No. 480

(As Amended by House Amendment Schedules "A" and "B")

## "AN ACT ESTABLISHING THE CONNECTICUT HEALTHCARE PARTNERSHIP."

- After the last section, add the following and renumber sections and
- 2 internal references accordingly:
- 3 "Sec. 501. Subsection (d) of section 7-473c of the general statutes is
- 4 repealed and the following is substituted in lieu thereof (Effective
- 5 October 1, 2008):
- 6 (d) (1) The hearing may, at the discretion of the panel, be continued
- and shall be concluded [within] <u>not later than</u> twenty days after its
- 8 commencement. Not less than two days prior to the commencement of
- 9 the hearing, each party shall file with the chairperson of the panel, and
- deliver to the other party, a proposed collective bargaining agreement,
- in numbered paragraphs, which such party is willing to execute and
- 12 cost data for all provisions of such proposed agreement. At the
- 13 commencement of the hearing each party shall file with the panel a

reply setting forth (A) those paragraphs of the proposed agreement of the other party which it is willing to accept, and (B) those paragraphs of the proposed agreement of the other party which it is unwilling to accept, together with any alternative contract language which such party would accept in lieu of those paragraphs of the proposed agreement of the other party which it is unwilling to accept. At any time prior to the issuance of a decision by the panel, the parties may jointly file with the panel stipulations setting forth the agreement provisions which both parties have agreed to accept.

- (2) [Within] Not later than five days after the conclusion of the taking of testimony, the panel shall forward to each party an arbitration statement, approved by a majority vote of the panel, setting forth all agreement provisions agreed upon by both parties in the proposed agreements and the replies, and in the stipulations, and stating, in numbered paragraphs, those issues which are unresolved.
- (3) [Within] Not later than ten days after the conclusion of the taking of testimony, the parties shall file with the secretary of the State Board of Mediation and Arbitration five copies of their statements of last best offer setting forth, in numbered paragraphs corresponding to the statement of unresolved issues contained in the arbitration statement, the final agreement provisions proposed by such party. Immediately upon receipt of both statement of last best offer or upon the expiration of the time for filing such statements of last best offer, whichever is sooner, said secretary shall distribute a copy of each such statement of last best offer to the opposing party.
  - (4) [Within] Not later than seven days after the distribution of the statements of last best offer or [within] not later than seven days [of] after the expiration of the time for filing the statements of last best offer, whichever is sooner, the parties may file with the secretary of the State Board of Mediation and Arbitration five copies of their briefs on the unresolved issues. Immediately upon receipt of both briefs or upon the expiration of the time for filing such briefs, whichever is sooner, said secretary shall distribute a copy of each such brief to the opposing

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- (5) [Within] Not later than five days after the distribution of the briefs on the unresolved issues or [within] not later than five days after the last day for filing such briefs, whichever is sooner, each party may file with said secretary five copies of a reply brief, responding to the briefs on the unresolved issues. Immediately upon receipt of the reply briefs or upon the expiration of the time for filing such reply briefs, whichever is sooner, said secretary shall simultaneously distribute a copy of each such reply brief to the opposing party.
- (6) [Within] Not later than twenty days after the last day for filing such reply briefs, the panel shall issue, upon majority vote, and file with the State Board of Mediation and Arbitration its decision on all unresolved issues set forth in the arbitration statement, and said secretary shall immediately and simultaneously distribute a copy thereof to each party. The panel shall treat each unresolved issue set forth in the arbitration statement as a separate question to be decided by it. In deciding each such question, the panel agreement shall accept the final provision relating to such unresolved issue as contained in the statement of last best offer of one party or the other. As part of the arbitration decision, each member shall state the specific reasons and standards used in making a choice on each unresolved issue.
- 68 (7) The parties may jointly file with the panel stipulations 69 modifying, deferring or waiving any or all provisions of this 70 subsection.
  - (8) If the day for filing any document required or permitted to be filed under this subsection falls on a day which is not a business day of the State Board of Mediation and Arbitration then the time for such filing shall be extended to the next business day of such board.
- 75 (9) In arriving at a decision, the arbitration panel shall give priority to the public interest and the financial capability of the municipal employer, including consideration of other demands on the financial capability of the municipal employer. The panel shall further consider

79 the following factors in light of such financial capability: (A) The 80 negotiations between the parties prior to arbitration; (B) the interests 81 and welfare of the employee group; (C) changes in the cost of living; 82 (D) the existing conditions of employment of the employee group and 83 those of similar groups; and (E) the wages, salaries, fringe benefits, and 84 other conditions of employment prevailing in the labor market, 85 including developments in private sector wages and benefits. In 86 determining the financial capability of the municipality, it shall be an 87 irrebuttable presumption that six per cent of the general operating 88 budget of the municipality is needed to maintain the fiscal solvency of 89 such municipality.

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- (10) The decision of the panel and the resolved issues shall be final and binding upon the municipal employer and the municipal employee organization except as provided in subdivision (12) of this subsection and, if such award is not rejected by the legislative body pursuant to said subdivision, except that a motion to vacate or modify such decision may be made in accordance with sections 52-418 and 52-419.
- 97 (11) In regard to all proceedings undertaken pursuant to this 98 subsection the secretary of the State Board of Mediation and 99 Arbitration shall serve as staff to the arbitration panel.
- 100 (12) [Within] Not later than twenty-five days of the receipt of an 101 arbitration award issued pursuant to this section, the legislative body 102 of the municipal employer may reject the award of the arbitrators or 103 single arbitrator by a two-thirds majority vote of the members of such 104 legislative body present at a regular or special meeting called and 105 convened for such purpose.
  - (13) [Within] Not later than ten days after such rejection, the legislative body or its authorized representative shall be required to state, in writing, the reasons for such vote and shall submit such written statement to the State Board of Mediation and Arbitration and the municipal employee organization. Within ten days after receipt of

such notice, the municipal employee organization shall prepare a 112 written response to such rejection and shall submit it to the legislative 113 body and the State Board of Mediation and Arbitration.

(14) [Within] Not later than ten days after receipt of such rejection notice, the State Board of Mediation and Arbitration shall select a review panel of three arbitrators or, if the parties agree, a single arbitrator who are residents of Connecticut and labor relations arbitrators approved by the American Arbitration Association and not members of the panel who issued the rejected award. Such arbitrators or single arbitrator shall review the decision on each such rejected issue. The review conducted pursuant to this subdivision shall be limited to the record and briefs of the hearing pursuant to subsection (c) of this section, the written explanation of the reasons for the vote and a written response by either party. In conducting such review, the arbitrators or single arbitrator shall be limited to consideration of the criteria set forth in subdivision (9) of this subsection. Such review shall be completed within twenty days of the appointment of the arbitrators or single arbitrator. The arbitrators or single arbitrator shall accept the last best offer of either of the parties.

(15) [Within] Not later than five days after the completion of such review the arbitrators or single arbitrator shall render a decision with respect to each rejected issue which shall be final and binding upon the municipal employer and the employee organization except that a motion to vacate or modify such award may be made in accordance with sections 52-418 and 52-419. The decision of the arbitrators or single arbitrator shall be in writing and shall include specific reasons and standards used by each arbitrator in making a decision on each issue. The decision shall be filed with the parties. The reasonable costs of the arbitrators or single arbitrator and the cost of the transcript shall be paid by the legislative body. Where the legislative body of a municipal employer is the town meeting, the board of selectmen shall perform all of the duties and shall have all of the authority and responsibilities required of and granted to the legislative body under this subsection.

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Sec. 502. Subsection (c) of section 10-153f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

(c) (1) On the fourth day next following the end of the mediation session or on the one hundred thirty-fifth day prior to the budget submission date, whichever is sooner, the commissioner shall order the parties to report their settlement of the dispute or, if there is no settlement, to notify the commissioner of either their agreement to submit their dispute to a single arbitrator or the name of the arbitrator selected by each of them. Within five days of providing such notice, the parties shall notify the commissioner of the name of the arbitrator if there is an agreement on a single arbitrator appointed to the panel pursuant to subdivision (3) of subsection (a) of this section or agreement on the third arbitrator appointed to the panel pursuant to said subdivision. The commissioner may order the parties to appear before said commissioner during the arbitration period. If the parties have notified the commissioner of their agreement to submit their dispute to a single arbitrator and they have not agreed on such arbitrator, within five days after such notification, the commissioner shall select such single arbitrator who shall be an impartial representative of the interests of the public in general. If each party has notified the commissioner of the name of the arbitrator it has selected and the parties have not agreed on the third arbitrator, within five days after such notification, the commissioner shall select a third arbitrator, who shall be an impartial representative of the interests of the public in general. If either party fails to notify the commissioner of the name of an arbitrator, the commissioner shall select an arbitrator to serve and the commissioner shall also select a third arbitrator who shall be an impartial representative of the interests of the public in general. Any selection pursuant to this section by the commissioner of an impartial arbitrator shall be made at random from among the members appointed under subdivision (3) of subsection (a) of this section. Arbitrators shall be selected from the panel appointed pursuant to subsection (a) of this section and shall receive a per diem

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fee determined on the basis of the prevailing rate for such services.
Whenever a panel of three arbitrators is selected, the chairperson of such panel shall be the impartial representative of the interests of the public in general.

- (2) The chairperson of the arbitration panel or the single arbitrator shall set the date, time and place for a hearing to be held in the school district between the fifth and twelfth day, inclusive, after such chairperson or such single arbitrator is selected. At least five days prior to such hearing, a written notice of the date, time and place of the hearing shall be sent to the board of education and the representative organization which are parties to the dispute, and, if a three-member arbitration panel is selected or designated, to the other members of such panel. Such written notice shall also be sent, by registered mail, return receipt requested, to the fiscal authority having budgetary responsibility or charged with making appropriations for the school district, and a representative designated by such body may be heard at the hearing as part of the presentation and participation of the board of education. At the hearing each party shall have full opportunity to submit all relevant evidence, to introduce relevant documents and written material and to argue on behalf of its positions. At the hearing a representative of the fiscal authority having budgetary responsibility or charged with making appropriations for the school district shall be heard regarding the financial capability of the school district, unless such opportunity to be heard is waived by the fiscal authority. The nonappearance of the representative shall constitute a waiver of the opportunity to be heard unless there is a showing that proper notice was not given to the fiscal authority. The chairperson of the arbitration panel or the single arbitrator shall preside over such hearing.
- (3) The hearing may, at the discretion of the arbitration panel or the single arbitrator, be continued but in any event shall be concluded within twenty-five days after its commencement.
- 210 (4) After hearing all the issues, the arbitrators or the single arbitrator 211 shall, within twenty days, render a decision in writing, signed by a

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majority of the arbitrators or the single arbitrator, which states in detail the nature of the decision and the disposition of the issues by the arbitrators or the single arbitrator. The written decision shall include a narrative explaining the evaluation by the arbitrators or the single arbitrator of the evidence presented for each item upon which a decision was rendered by the arbitrators or the single arbitrator and shall state with particularity the basis for the decision as to each disputed issue and the manner in which the factors enumerated in this subdivision were considered in arriving at such decision, including, where applicable, the specific similar groups and conditions of employment presented for comparison and accepted by the arbitrators or the single arbitrator and the reason for such acceptance. The arbitrators or the single arbitrator shall file one copy of the decision with the commissioner, each town clerk in the school district involved and the board of education and organization which are parties to the dispute. The decision of the arbitrators or the single arbitrator shall be final and binding upon the parties to the dispute unless a rejection is filed in accordance with subdivision (7) of this subsection. The decision of the arbitrators or the single arbitrator shall incorporate those items of agreement the parties have reached prior to its issuance. At any time prior to the issuance of a decision by the arbitrators or the single arbitrator, the parties may jointly file with the arbitrators or the single arbitrator, any stipulations setting forth contract provisions which both parties agree to accept. In arriving at a decision, the arbitrators or the single arbitrator shall give priority to the public interest and the financial capability of the town or towns in the school district, including consideration of other demands on the financial capability of the town or towns in the school district. [In assessing the financial capability of the town or towns, there shall be an irrebuttable presumption that a budget reserve of five per cent or less is not available for payment of the cost of any item subject to arbitration under this chapter.] In determining the financial capability of the town or towns, it shall be an irrebuttable presumption that six per cent of the general operating budget of the municipality is needed to maintain the fiscal solvency of such town or towns. The arbitrators or the single

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arbitrator shall further consider, in light of such financial capability, the following factors: (A) The negotiations between the parties prior to arbitration, including the offers and the range of discussion of the issues; (B) the interests and welfare of the employee group; (C) changes in the cost of living averaged over the preceding three years; (D) the existing conditions of employment of the employee group and those of similar groups; and (E) the salaries, fringe benefits, and other conditions of employment prevailing in the state labor market, including the terms of recent contract settlements or awards in collective bargaining for other municipal employee organizations and developments in private sector wages and benefits. The parties shall submit to the arbitrators or the single arbitrator their respective positions on each individual issue in dispute between them in the form of a last best offer. The arbitrators or the single arbitrator shall resolve separately each individual disputed issue by accepting the last best offer thereon of either of the parties, and shall incorporate in a decision each such accepted individual last best offer and an explanation of how the total cost of all offers accepted was considered. The award of the arbitrators or the single arbitrator shall not be subject to rejection by referendum. The parties shall each pay the fee of the arbitrator selected by or for them and share equally the fee of the third arbitrator or the single arbitrator and all other costs incidental to the arbitration.

- 269 (5) The commissioner shall assist the arbitration panel or the single 270 arbitrator as may be required in the course of arbitration pursuant to this section.
  - (6) If the day for filing any document required pursuant to this section falls on Saturday, Sunday or a holiday, the time for such filing shall be extended to the next business day thereafter.
  - (7) The award of the arbitrators or single arbitrator may be rejected by the legislative body of the local school district or, in the case of a regional school district, by the legislative bodies of the participating towns. Such rejection shall be by a two-thirds majority vote of the members of such legislative body or, in the case of a regional school

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district, the legislative body of each participating town, present at a regular or special meeting called and convened for such purpose within twenty-five days of the receipt of the award. If the legislative body or legislative bodies, as appropriate, reject any such award, they shall notify, within ten days after the vote to reject, the commissioner and the exclusive representative for the teachers' or administrators' unit of such vote and submit to them a written explanation of the reasons for the vote. Within ten days after receipt of such notice, the exclusive representative of the teachers' or administrators' unit shall prepare, and the board of education may prepare, a written response to such rejection and shall submit it to such legislative body or legislative bodies, as appropriate, and the commissioner. Within ten days after the commissioner has been notified of the vote to reject, (A) the commissioner shall select a review panel of three arbitrators or, if the parties agree, a single arbitrator, who are residents of Connecticut and labor relations arbitrators approved by the American Arbitration Association and not members of the panel who issued the rejected award, and (B) such arbitrators or single arbitrator shall review the decision on each rejected issue. The review conducted pursuant to this subdivision shall be limited to the record and briefs of the hearing pursuant to subdivision (2) of this subsection, the written explanation of the reasons for the vote and a written response by either party. In conducting such review, the arbitrators or single arbitrator shall be limited to consideration of the criteria set forth in subdivision (4) of this subsection. Such review shall be completed within twenty days of the appointment of the arbitrators or single arbitrator. The arbitrators or single arbitrator shall accept the last best offer of either of the parties. Within five days after the completion of such review, the arbitrators or single arbitrator shall render a final and binding award with respect to each rejected issue. The decision of the arbitrators or single arbitrator shall be in writing and shall include the specific reasons and standards used by each arbitrator in making his decision on each issue. The decision shall be filed with the parties. The reasonable costs of the arbitrators or single arbitrator and the cost of the transcript shall be paid by the legislative body or legislative bodies,

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as appropriate. Where the legislative body of the school district is the town meeting, the board of selectmen shall have all of the authority and responsibilities required of and granted to the legislative body under this subdivision.

(8) The decision of the arbitrators or a single arbitrator shall be subject to judicial review upon the filing by a party to the arbitration, within thirty days following receipt of a final decision pursuant to subdivision (4) or (7), as appropriate, of a motion to vacate or modify such decision in the superior court for the judicial district wherein the school district involved is located. The superior court, after hearing, may vacate or modify the decision if substantial rights of a party have been prejudiced because such decision is: (A) In violation of constitutional or statutory provisions; (B) in excess of the statutory authority of the panel; (C) made upon unlawful procedure; (D) affected by other error of law; (E) clearly erroneous in view of the reliable, probative and substantial evidence on the whole record; or (F) arbitrary or capricious or characterized by abuse of discretion or clearly unwarranted exercise of discretion. In any action brought pursuant to this subdivision to vacate or modify the decision of the arbitrators or single arbitrator, reasonable attorney's fees, costs and legal interest on salary withheld as the result of an appeal of said decision may be awarded in accordance with the following: Where the board of education moves to vacate or modify the decision and the decision is not vacated or modified, the court may award to the organization which is the exclusive representative reasonable attorney's fees, costs and legal interest on salary withheld as the result of an appeal; or, where the organization which is the exclusive representative moves to vacate or modify the decision and the decision is not vacated or modified, the court may award to the board of education reasonable attorney's fees, costs and legal interest on salary withheld as the result of an appeal."

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